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ABSTRACT

The application and impact of marketing techniques in higher education are considered, based primarily on a literature review. Literature concerning marketing in higher education, primarily in the 1970s, focused on three major themes: discussions concerning the general need to adopt marketing techniques, marketing as part of the recruitment process and academic program development, and the use of marketing in promoting the institution and its programs. Each of these major themes provided academic planners with a broad spectrum of concepts to build increasingly viable programs that in turn reinforced the institutional recruitment. Increased use of marketing strategies has had a significant impact on postsecondary institutions. The adoption of the marketing process has demanded changes in the organizational structure of admission, registration, planning, and research offices, thus affecting administrators and staff members. In addition, marketing requires a unified approach to planning. Another impact of marketing strategies is increased awareness by institutional leaders of the true nature of "business" of an institution. Marketing can be viewed as a useful planning tool for postsecondary institutions. The research and analysis components, as well as the promotional aspects, provide institutional leaders with guides for planning and developing new services for students, encouraging higher student enrollment rates, and reducing attrition among the existing student populations. The costs involved in adopting a marketing process and negative reactions by accrediting associations to hard-sell techniques used by colleges are also addressed. (SW)

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MARKETING TECHNIQUES IN HIGHER EDUCATION: A CRITIQUE

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Abstract

The application of marketing concepts in the area of higher education is a relatively recent innovation. During the last decade, administrators in postsecondary institutions realized that they must borrow business concepts and practices to effectively promote and market their product--higher education.

This paper discusses briefly the application and impact of marketing techniques in higher education, presenting first a review of the literature with emphasis on the major themes on this topic. The succeeding sections delineate the effect marketing has had on postsecondary education, including the function of planning, the changing roles of administrators and staff, and the increased awareness on the part of institutions as to the true nature of the business in which they are involved. Cost considerations and the problem of "over-marketing" are also addressed in the paper.

Marketing concepts have been applied to a diversity of activities in the last decade (Kotler and Zaltman, 1971). One unique and successful application is in the area of higher education (Permut, 1974). Administrators in colleges and universities realized during the early 1970's that to promote and market their product (educational services) effectively, they must borrow business concepts and practices (Hugstad), 1975; Kotler, 1975).

The purpose of this paper is to briefly discuss the application and impact of marketing techniques in higher education. The paper is divided into two major sections. The first presents a review of the literature emphasizing the major themes on this topic. The next section discusses the effects which marketing has had on higher education, including its impact on the function of planning, the changing roles of administrators and staff, and the increased awareness on the part of institutions as to the true nature of the business in which they are involved. An extended bibliography is presented in order to provide the reader with comprehensive sources for more detailed study.

Review of the Literature

From 1957 to 1970 higher education experienced major growth; enrollments increased at an average rate of 7.5 percent per year (Berry) and Allen, 1977). During this period, little thought was given to strong recruiting efforts because many college and university administrators felt that growth was self-perpetuating. Only since the early 1970's when enrollments began to level off did institutions begin to realize

that growth was not inevitable. It was during this period that the use of marketing concepts gained acceptability.

During the 1960's marketing for postsecondary institutions carried negative connotations. It was thought to be a questionable business technique which had been introduced into higher education as a result of the plight of "fly-by-night" institutions. Educators found it difficult to admit that marketing concepts had been applied universally at institutions in the form of recruitment practices. Product mix and promotion, although readily recognizable marketing terms, were not used. As a result of the declining enrollments, marketing techniques commanded increased interest and respect.

Literature relating marketing to higher education could be found as early as 1969 (Kotler and Levy, 1969; Naidu, 1969). However, it was not until the early 1970's that these ideas were addressed in major professional journals in a substantive way. In reviewing the literature three major themes are evident: (1) discussions concerning the general need to adopt marketing techniques, (2) marketing as a part of the recruitment process and academic program development, and (3) the use of marketing in promoting the institution and its programs.

The early literature focused on the need for adopting more intense marketing activities in postsecondary institutions (Krachenberg, 1972). This theme carried with it explicit assumptions that marketing would illuminate avenues for administrators to follow in program development and in recruitment. By the mid-1970's universal marketing efforts were accepted generally as a reasonable response to sagging enrollments.

College admissions directors found that marketing tactics could be used effectively in the recruitment process and this led to a more rigorous effort to develop techniques to evaluate student market segments (Chapple, 1972; Sutton, 1972; Spiro, 1978). As more administrators found the marketing process acceptable or inevitable, the theme of the literature shifted to using marketing research as a means of adapting academic programs to the needs of the populations served by institutions. Research concepts previously used by business groups--product mix, location, price, and distribution--were now applied in examinations of new programs and new sites for educational services (Krachenberg, 1972).

Once new programs were developed strategic use of promotion was necessary to communicate those offerings to the public (Berry and George, 1975). Another theme developed in the literature dealing with the institution and its program. Such articles suggested that institutions create and sell an image (a "Career-Oriented" institution) to the public with the idea of establishing the uniqueness of the school (Hugstad, 1975). Programs appealing to specific market segments were promoted extensively, including Florida State's Interdisciplinary Environmental Program and Long Island University's Weekend College (Meskill, 1973).

Each of these major themes provided academic planners with a broad spectrum of concepts to build increasingly viable programs which in turn reinforced the institutional recruitment.

Increasing sophistication in current literature is evidenced in the books and newsletters published within the last year on this topic (Educational Cooperative, 1978; Barton, 1978). A recent development in the trend toward increased marketing efforts is the establishment of consulting firms whose major emphasis is to aid colleges and universities in developing more sophisticated approaches.[1] Several consulting firms offer a full range of services to the institution, including aid in developing marketing strategies. One significant onsite service is the assessment of the most economical method of printing and mailing all types of promotional literature, and review of its informational content, as well as evaluation of computer mailing lists.

The Impact of Marketing on Higher Education

Increased use of marketing strategies has had a significant impact on postsecondary institutions. The most obvious effects have been: (a) increased awareness by institutional leaders of the true nature or "business" of an institution; (b) changes in the roles of administrators and staff; and (c) the encouragement of a comprehensive planning process.

For some years colleges and universities have perceived their proper contributions to the field of higher education to be research, teaching, and service. They have shown little concern in discovering and responding to actual needs of various publics (Berry and Allen, 1977). Market research has revealed more clearly the mission of providing a full range of educational services to all qualified individuals (Hugstad, 1975; Johnson, 1972; Valentine, 1973).

Adoption of the marketing process has demanded changes in the organizational structure of admissions, registration, planning, and research offices, thus affecting administrators and staff members. Educational marketers have suggested that these offices be integrated in order to strengthen marketing activities (Berry and Allen, 1975; Berry and George, 1977). The rationale for this is the integration within a university of all functions which should operate together in marketing the services which the institution offers.

Planning in higher education is generally handled on an ad hoc basis. Vice presidents, deans, and directors generally have planning staffs who react to crisis situations. Marketing requires a unified approach to planning; some institutions, such as West Virginia University, have adopted a comprehensive planning process which attempts to unify various plans created by different units within the institution. By establishing a comprehensive planning process, schools are in a better position to develop sound long-range plans.

Few colleges and universities have unequivocally accepted marketing techniques as tools for effectively enhancing planning and recruitment. However, major strides have been made to incorporate marketing as a needed activity. Perhaps the best example is Temple University in Philadelphia. A marketing plan, developed each fiscal year and strongly supported by the administration, includes enrollment objectives, market objectives, demographic analysis, market share analysis, and the overall marketing strategy. The overall marketing strategy emphasized the admissions office as a key element in the process (Weirick, 1978).

Marketing is also used extensively at Temple's satellite site, Temple University Center City, where during a four-year period enrollment at the newly-established site jumped to 9,000 students (Tarr, 1978).

Cost Implications of Marketing

In this paper, marketing is described as a useful planning tool for postsecondary institutions. The research and analysis components, as well as the promotional aspects, provide institutional leaders with guides for planning and developing new services for students, encouraging higher student enrollment rates, and reducing attrition among the existing student populations. The literature is replete with "how to" articles, all suggesting various ways of using marketing concepts (Leach, 1978; Erickson, 1972; Lahti, 1978). Unfortunately, there is a shortage of literature dedicated to examining the costs involved in the marketing process.

When institutional administrators adopt a marketing process, financial outlays for increased staffing, research efforts, and dissemination of information can be quite high. Berry and George (1977, p.27) suggest organizational changes in the administration if marketing is to be an integral part of the process of administrative decision making; however, they do not address the costs involved in adapting these changes to the existing organization. Additional costs may be incurred if personnel are increased to facilitate marketing activities. This potential cost may be mitigated if care is taken, during reorganization, to use existing staff in a more efficient and less fragmented manner, resulting in reduced administrative costs.

One requirement of a comprehensive marketing program is accessibility to and assimilation of large amounts of information, resulting in higher personnel costs for data compilation and analysis, as well as increased computer time. Thompson (1979) addresses the cost of data acquisition in his attempt to place a value on marketing information. His major conclusion is that the gathering of extensive marketing information cannot replace the need for "hardheaded" analysis and sound judgment.

Promotional cost is another aspect of marketing which has not been discussed widely in the literature. Brochures, pamphlets, and catalogs are important vehicles for promoting (or advertising) the services of an institution--the need for such vehicles is not questioned. However, the expense involved in publishing "Madison Avenue" type catalogs or ineffective material may be substantial. There is a definite need for institutions considering heavy promotional activities to assay the number of people reached through the media used. It seems obvious that continual evaluation is needed on this topic in order to determine the cost effectiveness of the various means of information dissemination.

The cost of marketing is one concept which appears to have been of little concern to those proposing increased marketing efforts in higher education. This is surprising since postsecondary institutions, entering an era of financial cutbacks, have tried to maintain close monitoring of the budget dollar. In light of the inadequate discussions on marketing costs, it is incumbent on colleges and universities to consider benefit/cost analysis of marketing efforts in the initial planning stages.

Marketing Higher Education: A Caveat

The discussion thus far has stressed generally the benefits derived from the use of marketing concepts in postsecondary institutions. Unfortunately, some institutions have viewed the marketing approach solely as a means of propping up enrollments and have given little consideration to problems resulting from "over-marketing" their product (Hugstad, 1975).

A recent issue of The Chronicle of Higher Education (Middleton, 1979) provided examples of institutions which have given frisbees and special T-shirts to prospective students as a marketing ploy. One institution in the midwest was considering $100 scholarships for students who were able to bring in new students; this idea was dropped when the administration learned that its regional accrediting association disapproved of this "gimmick." Institutions should recognize that contemporary students may not respond well to "hard sell" procedures in postsecondary schools. This point was well made by David Treadwell (1973, p. 16) in an article in The Chronicle of Higher Education:

> Does the Kandy-Kolored-Katalogue, Pepsodent-Smile approach work? It doesn't seem so. More and more money is spent on catalogues and mailings and parties and, well, selling. And more colleges have empty beds. Why? Why aren't students being sold? What's wrong with the new sales approach? The sales advocates have forgotten one simple fact--education isn't toothpaste. Students aren't starry-eyed children waiting for some white-knight admissions officer to sweep them off their catalogue-clogged feet into the college of their dreams. Students don't want the hard sell. They've heard it and seen it on television and everywhere else for their entire lives. The hard sell approach not only doesn't work, it repels.

Leaders in higher education are well aware of the use of hard-sell techniques by colleges and universities and have reacted negatively.

In a recent Carnegie Council report on the deterioration of ethics on the campus, the Council warned institutions "against compromising their 'admissions responsibilities' and developing 'fly-by-night operations' in a scramble for new students" (Middleton, 1979, p.3).

In order to benefit from their market experiences, institutions need to recognize that marketing is a multipurpose tool--it is used for promoting the institution's educational services, but it also should be used in planning to aid in developing long-range goals and objectives. Once the marketing process becomes an integral part of institutional planning, any negative overtones associated with it should disappear.

Conclusion

Institutions of higher education are just beginning to realize the benefits of using marketing concepts in their planning activities. The precarious condition in which some postsecondary institutions find themselves today may be countered if marketing is viewed as another tool available to institutional leaders. Marketing cannot effectively function as a reactive measure to solve short-term enrollment problems. Rather, it is a planning tool to accomplish long-range objectives.

Footnotes

[1]Two nationally known marketing firms specializing in the field of higher education are The Educational Cooperative and Johnson Associates, Inc.

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